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NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD

GENERAL PURPOSE FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date MAY 24 2000 /

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

GENERAL PURPOSE FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 1999
WITH SUPPLEMENTAL INFORMATION SCHEDULES

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GENERAL PURPOSE FINANCIAL STATEMENTS

JOHN D. BUTLER & COMPANY
A PROFESSIONAL ACCOUNTING CORPORATION
P. O. BOX 30
BAKER, LOUISIANA 70704-0030

(504) 775-4982

INDEPENDENT AUDITOR'S REPORT

March 24, 2000

To The Board Of Directors
Nineteenth Judicial District
Indigent Defender Board
P. O. Box 3356
Baton Rouge, Louisiana 70821

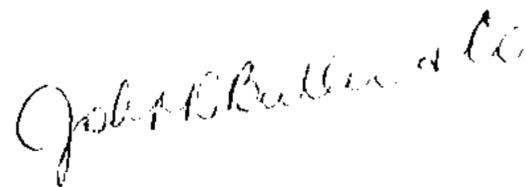
We have audited the accompanying general purpose financial statements of the Nineteenth Judicial District Indigent Defender Board, component unit of the City of Baton Rouge and Parish of East Baton Rouge, Louisiana, as of December 31, 1999, and for the year then ended. These general purpose financial statements are the responsibility of the Nineteenth Judicial District Indigent Defender Board's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the component unit financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

Board of Directors
Nineteenth Judicial District
Indigent Defender Board
March 24, 2000
Page Two

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Nineteenth Judicial District Indigent Defender Board, as of December 31, 1999, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 24, 2000, on our consideration of the Board's internal control structure and a report dated March 24, 2000, on its compliance with laws and regulations.

A handwritten signature in cursive script that reads "John D. Butler & Co".

John D. Butler & Company
A Professional Accounting Corporation

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

COMBINED BALANCE SHEET
ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 1999

<u>ASSETS AND OTHER DEBITS</u>	<u>General Fund</u>	<u>General Fixed Assets</u>	<u>Totals (Memorandum Only)</u>
Assets:			
Cash & cash equivalents	\$ 113,168.20	\$.00	\$ 113,168.20
Receivables, net	400,384.34	.00	400,384.34
Other assets	9,879.59	.00	9,879.59
Restricted Assets:			
Cash & cash equivalents	210,501.20	.00	210,501.20
Land, buildings and equipment	<u>.00</u>	<u>190,606.51</u>	<u>190,606.51</u>
TOTAL ASSETS AND OTHER DEBITS	<u>733,933.33</u>	<u>190,606.51</u>	<u>924,539.84</u>
 <u>LIABILITIES, EQUITY AND OTHER CREDITS</u>			
Liabilities:			
Accounts payable	304,022.75	.00	304,022.75
Equity and Other Credits:			
Investment in general fixed assets	.00	190,606.51	190,606.51
Fund Balances:			
Reserved for prepaid expenses	9,879.59	.00	9,879.59
Reserved for capital defense	210,501.20	.00	210,501.20
Unreserved - undesignated	<u>209,529.79</u>	<u>.00</u>	<u>209,529.79</u>
Total Equity and Other Credits	<u>429,910.58</u>	<u>190,606.51</u>	<u>620,517.09</u>
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	<u>733,933.33</u>	<u>190,606.51</u>	<u>924,539.84</u>

The accompanying notes are an integral part of this statement.

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
ALL GOVERNMENTAL FUNDS
For The Year Ended December 31, 1999

REVENUES

Fines and forfeitures	\$ 1,851,502.56
Intergovernmental revenues:	
Grant proceeds	435,746.74
Donated goods and services	180,322.39
Donated facilities	15,000.00
Contributed services	93,171.01
Interest earnings	<u>13,792.35</u>
Total Revenues	2,589,535.05

EXPENDITURES

Salaries and related benefits	1,813,250.71
Insurance	21,886.69
Office supplies and expenses	100,415.93
Capital outlay	520.42
Occupancy	153,951.78
Defense/expert witnesses	249,366.46
Travel	<u>48,058.21</u>
Total Expenditures	<u>2,387,450.20</u>

EXCESS OF REVENUES OVER EXPENDITURES	202,084.85
FUND BALANCE AT BEGINNING OF YEAR	<u>227,825.73</u>
FUND BALANCE AT END OF YEAR	<u><u>429,910.58</u></u>

The accompanying notes are an integral part of this statement.

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - BUDGET
(GAAP/NON-GAAP BASIS) AND ACTUAL
GENERAL FUND
For The Year Ended December 31, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>REVENUES</u>			
Fines and forfeitures	\$ 1,807,000.00	\$ 1,851,502.56	\$ 44,502.56
Intergovernmental revenues	450,409.00	631,069.13	180,660.13
Contributed services	.00	93,171.01	93,171.01
Interest earnings	3,000.00	13,792.35	10,792.35
	<hr/>	<hr/>	
Total Revenues	2,260,409.00	2,589,535.05	329,126.05
 <u>EXPENDITURES</u>			
Salaries and related benefits	1,787,409.00	1,813,250.71	(25,841.71)
Insurance	18,000.00	21,886.69	(3,886.69)
Office supplies and expenses	74,250.00	100,415.93	(26,165.93)
Capital outlay	12,000.00	520.42	11,479.58
Occupancy	159,000.00	153,951.78	5,048.22
Defense/Expert witnesses	246,000.00	249,366.46	(3,366.46)
Travel	44,000.00	48,058.21	(4,058.21)
	<hr/>	<hr/>	
Total Expenditures	2,340,659.00	2,387,450.20	(46,791.20)
 EXCESS OF REVENUES OVER EXPENDITURE			
	(80,250.00)	202,084.85	282,334.85
 FUND BALANCE AT BEGINNING OF YEAR			
	<hr/>	<hr/>	
	227,826.00	227,825.73	(.27)
 FUND BALANCE AT END OF YEAR			
	<hr/>	<hr/>	
	145,576.00	429,910.58	282,334.58

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

INTRODUCTION

The Judicial District Indigent Defender Board was established for the Nineteenth Judicial District by Louisiana Revised Statutes 15:144 - 15:148. The Board is composed of seven members which are selected by the District Court from nominees provided by the Bar Association within the judicial district.

The main purpose of the Board is to provide counsel for indigent defendants. The appointments approximate 5,000 per year out of a population of 500,000 in the district.

The Board employs 63 persons, and in addition, maintains a current panel of volunteer attorneys who represent certain defendants although a fee is paid for those cases.

The Board meets every month to discuss operations, budgets, problems, etc. The Board members are not compensated.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting practice of the Board conforms to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of the Governmental Accounting Standards Board (GASB) which is the standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of certain significant accounting policies:

A. FINANCIAL REPORTING ENTITY

For financial reporting purposes, in conformance with GASB Codification Section 2100, the Indigent Defender Board is a part of the district court system of the State of Louisiana. However, the State statutes that create the district boards also give each of the boards control over all their operations. This includes the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. The Indigent Defender Board is financially independent and operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the Board reports as an independent reporting entity and the financial statements include only the transactions of the Nineteenth Judicial District

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

Indigent Defender Board. However, these financial statements will be included in the financial statements of the City of Baton Rouge and Parish of East Baton Rouge, Louisiana as a component unit of that entity.

B. FUND ACCOUNTING

The Board uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

There is only one fund of the Board. Its classification and description is as follows:

Governmental Funds:

Governmental funds are used to account for all of the Board's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of general fixed assets and the servicing of general long-term debt, if applicable. *Governmental funds of the Board include:*

1. General Fund - the general operating fund of the Board which accounts for all financial resources except those required to be accounted for in other funds.

C. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

Revenues

The City Courts of Baker, Zachary and Baton Rouge collect court costs from traffic fines and remit them to the Board on a monthly basis. The District Court's cost due to the Board are collected and remitted by the East Baton Rouge Sheriff's office. The District Court Judges also order probation and parole defendants to pay a fee to the Board. The Family Court orders non-support charges if the defendant is employed. These fees are recorded when they are earned.

Expenditures

Salaries and related benefits is the largest expenditure of the Board. The main purpose of the board is to represent defendants in criminal cases, therefore, the attorneys and secretaries, etc. make up the majority of the payroll. These liabilities are recorded when they are incurred.

D. BUDGETS

The Board is not required under Louisiana Revised Statutes to have public meetings and adopt a budget. However, for good financial practice, the Executive Director does prepare an annual budget. The budget figures are compared to the actual amounts on a monthly basis. There was one amendment during the year.

E. ENCUMBRANCES

The Board does not use an encumbrance system of accounting. The financial statements are prepared on the modified accrual basis of accounting.

F. CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. The Board considers short-term, (maturity of 90 days or less), highly liquid investments as cash equivalents. Under State law, the Board may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana. Under State law, the Board may invest in United States bonds, treasury notes or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments, if on hand, are stated at cost.

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

G. INVENTORIES

Expenditures for expendable supplies are charged to expenses when the items are purchased. Year end inventory of supplies held for consumption is immaterial to the financial statements and is not listed on the accompanying statements.

H. PREPAID ITEMS

Other assets on the financial statements are composed of \$8,670.50 in prepaid insurance and \$1,209.09 in prepaid leases. Insurance policies are pro-rated for the term of the various policies. The allocation method is used to account for the prepaid insurance and the Fund Balance shows a reserved portion for the amount of the prepayment.

I. RESTRICTED ASSETS

Proceeds from the Louisiana Indigent Defender Board are classified as restricted assets on the balance sheet because their use is limited to capital defense and expert witnesses.

J. FIXED ASSETS

Fixed assets are recorded as expenditures at the time of purchase, and the related assets are capitalized (reported) in the General Fixed Assets Account Group. Public domain or infrastructures are not capitalized. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost, if historical cost is not available. All assets recorded in these financial statements are stated at cost.

K. COMPENSATED ABSENCES

The Board has the following policy relating to vacation and sick leave:

Vacation is earned in one year as follows:

Attorney	4 weeks
Investigator	3 weeks
Office manager	3 weeks
Secretary	2 weeks
Hourly employee	-0-

Sick pay is accrued at one day per month or four hours each pay period (semi-monthly).

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

All vacation and sick leave expire at the end of each year, and therefore, no provision for compensated absences is recorded.

L. LONG-TERM OBLIGATIONS

Long-term obligations expected to be financed from governmental funds are reported in the General Long-term Debt Account Group. There were no long-term obligations as of December 31, 1999.

M. FUND EQUITY

Fund equity includes the following:

Reserves

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

N. TOTAL COLUMNS ON STATEMENTS

The total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

O. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2. CASH AND CASH EQUIVALENTS

At December 31, 1999, the Board had cash and cash equivalents (book balances) totaling \$323,669.40 as follows:

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

Demand deposits	\$ 30,654.74
Interest-bearing demand deposits	<u>293,014.66</u>
Total	<u>323,669.40</u>

These deposits are stated at cost, which approximates market. Under State law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 1999, the Board had \$360,275.37 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance of \$300,000 on demand deposits and \$300,000 on interest-bearing demand deposits. There is also \$300,000 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Demand deposits	\$ 66,501.83
Interest-bearing demand deposits	<u>293,773.54</u>
Total	<u>360,275.37</u>
Bank One	\$ 100,000.00
Whitney National Bank	100,000.00
Hancock Bank of Louisiana	100,000.00
Union-Planters Bank of LA	500,000.00
Liberty Bank	<u>100,000.00</u>
Total	<u>900,000.00</u>

Even though the pledged securities are considered uncollateralized, (Category 3), under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Board that the fiscal agent has failed to pay deposited funds upon demand.

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 3. RESTRICTED ASSETS

Restricted assets include \$1,091.07 in demand deposits and \$209,410.13 in interest-bearing demand deposits. This cash was received through a grant program from the Louisiana Indigent Defender Board. Such receipts are limited to the cost of expert witnesses and defense of certain capital cases. A separate grant also allows matching for hiring/retaining additional attorneys, raising attorney salaries, providing unit support and training.

NOTE 4. RECEIVABLES

The following is a summary of receivables at December 31, 1999.

City of Baton Rouge	\$ 108,741.32
Court Costs	74,249.42
Probation	207,932.00
Other	<u>92,634.40</u>
 Sub-Total	 483,557.14
 Less: Allowance for uncollectible accounts	 <u>(83,172.80)</u>
 Net receivables	 <u>400,384.34</u>

NOTE 5. GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance <u>01/01/99</u>	Additions	Deductions	Balance <u>12/31/99</u>
Equipment & furniture	<u>190,086.09</u>	<u>520.42</u>	<u>.00</u>	<u>190,606.51</u>

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 6. PENSION PLAN

Plan Description. The Board established a pension plan in 1992. Substantially all of the employees of the Nineteenth Judicial District Indigent Defender Board are members of this plan. This defined contribution plan is invested in American Funds, a mutual fund account held at A. G. Edwards. Each participant is fully-vested at the time of the contribution and will receive his/her individual fund at the time of retirement.

Funding Policy. The Board contributes 7.7% of each participant's salary. Contributions, which were 100% funded at December 31, 1999, during the year were \$97,298.77.

The participant is not required to make a contribution. However, employees of the Nineteenth Judicial District Indigent Defender Board are eligible to participate in the National Association of Counties (NACO) Deferred Compensation Program. The investment balance at December 31, 1999, for the Board's employees, including investment income and net of administrative fees, was \$61,057.94. This is not reported on the accompanying financial statements.

NOTE 7. OTHER POSTEMPLOYMENT BENEFITS

Separated employees are allowed to participate in the medical insurance for a period of one year after employment. However, separated employees must pay the premiums due. Accrued vacation and sick leave at termination are negotiated individually with the Director at the time the employee leaves in accordance with the rules stated in Section K under Note 1.

NOTE 8. COMPENSATED ABSENCES

As outlined in Section K of Note 1, the Board has no obligations other than the current year vacation and sick leave accrued.

NOTE 9. ACCOUNTS PAYABLE

The payables of \$ 304,022.75 at December 31, 1999, are as follows:

Rent	\$ 76,347.81
Attorneys	222,149.59
Other operating	<u>5,525.35</u>
Total	<u>304,022.75</u>

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 10. LEASES

The Board records items under capital leases as assets and obligations, if any, in the accompanying financial statements. There were no capital leases at December 31, 1999.

The minimum annual commitments under operating leases are as follows:

<u>Fiscal Year</u>	<u>Building</u>	<u>Autos</u>	<u>Equipment</u>	<u>Total</u>
2000	132,821.32	4,646.64	6,248.40	143,716.36
2001	133,791.00	.00	6,248.40	140,039.40
2002	133,791.00	.00	3,124.20	136,915.20
2003	44,597.00	.00	.00	44,597.00
	<u>445,000.32</u>	<u>4,646.64</u>	<u>15,621.00</u>	<u>465,267.96</u>

The building lease expires April 30, 2002, with an option to renew for one year under the same terms. Payments made during the year were \$53,564.83, which was four payments at \$10,664.50 and one payment at \$10,906.83. There is a balance due of \$ 76,347.81 for 1999. The lease increases every year on May 1st, with the exception of the last year. There are two auto leases that expire in June and August of 2000. Payments during the year were \$7,348.07.

The equipment lease is for a Xerox 5065 Copier. It began in July of 1997, at \$520.70 per month for sixty months. It will expire in June of 2002. Payments during the current year were \$6,248.40.

NOTE 11. CHANGES IN GENERAL LONG-TERM OBLIGATIONS

There were no long-term obligation transactions during the year.

NOTE 12. RESERVED FUND BALANCES

The following is a summary of reserved fund balances at December 31, 1999:

Prepaid expenses	\$ 9,879.59
Capital defense	<u>210,501.20</u>
Total	<u>220,380.79</u>

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

NOTE 13. INTERGOVERNMENTAL REVENUES

Grant Proceeds

Grants received during the year from the Louisiana Indigent Defender Board are as follows:

District Assistance Fund	\$ 385,000.00
Expert Witness/Capital Defense	<u>50,746.74</u>
Total	<u>435,746.74</u>

The District Assistance Fund grant is restricted to use for hiring/retaining additional attorneys, raising attorney salaries, providing unit support, defraying expert witness and testing cost and defraying the cost of LIDB-approved CLE and training programs. It also requires a 100% match from the Board. The expenditures for each category listed is based on a percentage of the total funds.

The Expert Witness and Capital Defense grant treats the board as a pass-through agency in that funds received are immediately remitted to the appropriate creditor as directed by the Louisiana Indigent Defender Board.

Donated goods and services

The City of Baton Rouge, Parish of East Baton Rouge, La. contributed payments benefitting Board employees as follows:

Group insurance - health	\$ 141,040.00
Group insurance - dental	13,030.00
Group insurance - life	<u>3,170.00</u>
Total	<u>157,240.00</u>

In January of 1999, the Board entered into a contract with the Louisiana Appellate Project for the utilization of its services to handle the appeals of indigent persons convicted of non-capital, felony offenses. The fee for these services is paid by the Louisiana Indigent Defender Board. These services are significant and are an integral part of the Board's purpose which would have been performed by salaried employees. Because of this, and a reasonable basis for determining the value of these donated services, they have been recorded as \$ 23,082.39. The basis used was the starting salary of an attorney multiplied by the hours spent.

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

NOTES TO FINANCIAL STATEMENTS
December 31, 1999

Donated facilities

The City of Baton Rouge, Paris of East Baton Rouge, La. provides a grant in the amount of \$ 15,000 to the Board to be used towards building rent.

NOTE 14. CONTRIBUTED SERVICES

With approval of the Board of Directors, a settlement offer was extended to outside attorneys on the amounts owed to them. The offer was to accept one-third of the amount owed as of August 31, 1999, as payment in full. The majority of the attorneys accepted.

The amount of services contributed through this settlement was \$ 93,171.01.

NOTE 15. YEAR 2000 CONSIDERATION

The Board could be adversely affected if its computer systems and other date-sensitive equipment do not properly process data from and after January 1, 2000. During the course of our examination, such equipment was discussed. Management has verified that its equipment and software applications will function beyond December 31, 1999. However, there are no assurances that these steps will be sufficient to avoid all adverse effects.

NOTE 16. RELATED PARTY TRANSACTIONS

There were no transactions with related parties during the year ended December 31, 1999.

NOTE 17. LITIGATION AND CLAIMS

The Board is not involved in any litigation and is not aware of any claims outstanding that are not recorded in the financial statements.

NOTE 18. SUBSEQUENT EVENTS

There were no subsequent events that would affect the financial statements between the close of the year and the issuance of the financial statements.

SUPPLEMENTAL INFORMATION SCHEDULES

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Probation	\$ 32,000.00	\$ 116,184.19	\$ 84,184.19
Zachary City Court	31,000.00	22,288.00	8,712.00
Baker City Court	50,000.00	36,227.70	13,772.30
Non-Support	8,000.00	10,527.00	(2,527.00)
Sheriff settlement	400,000.00	443,626.11	(43,626.11)
City Court	1,100,000.00	946,343.62	153,656.38
Juvenile Court	11,000.00	10,870.00	130.00
Bond licenses fee	100,000.00	198,430.25	(98,430.25)
Bond forfeiture	60,000.00	46,963.69	13,036.31
Court-Ordered payments	15,000.00	19,942.00	(4,942.00)
Miscellaneous	.00	100.00	(100.00)
<hr/>			
Total Fines and Forfeitures	1,807,000.00	1,851,02.56	44,502.56
LIDB grants	310,409.00	435,746.74	125,337.74
Donated services/facilities	140,000.00	195,322.39	55,322.39
<hr/>			
Total Intergovernmental Revenues	450,409.00	631,069.13	180,660.13
Contributed services	.00	93,171.01	93,171.01
Interest earned	3,000.00	13,792.35	10,792.35
<hr/>			
TOTAL REVENUES	2,260,409.00	2,589,535.05	329,126.05
Salaries	1,570,409.00	1,529,190.28	41,218.72
Retirement	85,000.00	97,298.77	(12,298.77)
Education	2,000.00	6,175.00	(4,175.00)
Payroll taxes	.00	16,971.07	(16,971.07)
Disabilities	5,000.00	6,375.59	(1,375.59)
Group insurance	125,000.00	157,240.00	(32,240.00)
<hr/>			
Total Salaries and Related Benefits	1,787,409.00	1,813,250.71	(25,841.71)
Workers' Compensation	.00	2,485.64	(2,485.64)
Auto	3,800.00	3,588.01	211.99
Professional liability	11,200.00	11,635.28	(435.28)
Other	3,000.00	4,177.76	(1,177.76)
<hr/>			
Total Insurance	18,000.00	21,886.69	(3,886.69)

Continued

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (Continued)
YEAR ENDED DECEMBER 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Office expense	\$ 18,000.00	\$ 12,967.39	\$ 5,032.61
Postage & shipping	1,000.00	1,715.99	(715.99)
Equipment maintenance	2,000.00	4,031.49	(2,031.49)
Library maintenance	19,000.00	12,757.45	6,242.55
Dues & subscriptions	6,000.00	6,140.00	(140.00)
Penalties & interest	300.00	187.82	112.18
Office supplies	21,000.00	23,308.80	(2,308.80)
Bank charges	150.00	1,041.83	(891.83)
Director's expense	500.00	.00	500.00
Leases	6,300.00	6,040.34	259.66
Bad debts	.00	32,224.82	(32,224.82)
<hr/>			
Total Office Supplies and Expense	74,250.00	100,415.93	(26,165.93)
Capital outlay	12,000.00	520.42	11,479.58
Rent	132,000.00	129,912.64	2,087.36
Parking	7,000.00	7,708.00	(708.00)
Telephone	20,000.00	16,331.14	3,668.86
<hr/>			
Total Occupancy	159,000.00	153,951.78	5,048.22
Investigative - professional	15,000.00	7,360.50	7,639.50
Investigative - other	2,000.00	3,078.77	(1,078.77)
Court-ordered counsel	100,000.00	143,156.96	(43,156.96)
Contractual services	29,000.00	45,472.23	(16,472.23)
Capital defense/expert witness	100,000.00	50,298.00	49,702.00
<hr/>			
Total Defense/Expert Witnesses	246,000.00	249,366.46	(3,366.46)
Travel	1,500.00	3,370.19	(1,870.19)
Auto lease & allowance	41,000.00	42,940.42	(1,940.42)
Auto maintenance	1,500.00	1,747.60	(247.60)
<hr/>			
Total Travel	44,000.00	48,058.21	(4,058.21)

Continued

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (Continued)
YEAR ENDED DECEMBER 31, 1999

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
TOTAL EXPENDITURES	\$ 2,340,659.00	\$ 2,387,450.20	\$ (46,791.20)
EXCESS OF REVENUES OVER EXPENDITURES	(80,250.00)	202,084.85	282,334.85
FUND BALANCE: AT BEGINNING OF YEAR	<u>227,826.00</u>	<u>227,825.73</u>	<u>(.27)</u>
FUND BALANCE: AT END OF YEAR	<u>147,576.00</u>	<u>429,910.58</u>	<u>282,334.58</u>

JOHN D. BUTLER & COMPANY
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF GENERAL PURPOSE
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

March 24, 2000

To The Board Of Directors
Nineteenth Judicial District
Indigent Defender Board
P. O. Box 3356
Baton Rouge, Louisiana 70821

We have audited the general purpose financial statements of the Nineteenth Judicial District Indigent Defender Board for the year ended December 31, 1999, and have issued our report thereon dated March 24, 2000.

We conducted our audit in accordance with generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

The management of the Nineteenth Judicial District Indigent Defender Board is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to

Board of Directors
Nineteenth Judicial District
Indigent Defender Board
March 24, 2000
Page Two

future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of the Nineteenth Judicial District Indigent Defender Board for the year ended December 31, 1999, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

We noted other matters involving the internal control structure and its operation that we have reported to the management of the Nineteenth Judicial District Indigent Defender Board dated March 24, 2000.

This report is intended for the information of the audit committee, management and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

John D. Butler & Co.

John D. Butler & Company
A Professional Accounting Corporation

JOHN D. BUTLER & COMPANY
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
BASED ON AN AUDIT OF GENERAL PURPOSE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

March 24, 2000

To The Board Of Directors
Nineteenth Judicial District
Indigent Defender Board
P. O. Box 3356
Baton Rouge, Louisiana 70821

We have audited the general purpose financial statements of the Nineteenth Judicial District Indigent Defender Board as of and for the year ended December 31, 1999, and have issued our report thereon dated March 24, 2000.

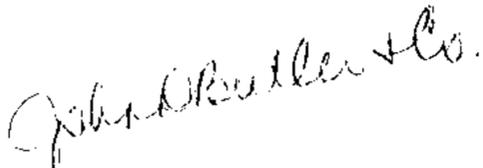
We have conducted our audit in accordance with generally accepted auditing standards, and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement.

Compliance with laws, regulations, contracts and grants applicable to the Nineteenth Judicial District Indigent Defender Board is the responsibility of the Nineteenth Judicial District Indigent Defender Board's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of material misstatement, we performed tests of the Board's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Board of Directors
Nineteenth Judicial District
Indigent Defender Board
March 24, 2000
Page Two

This report is intended for the information of the audit committee, management and the Legislative Auditor of the State of Louisiana. However, this report is a manner of public record and its distribution is not limited.

A handwritten signature in cursive script that reads "John D. Butler & Co.".

John D. Butler & Company
A Professional Accounting Corporation

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 1999

We have audited the financial statements of the Nineteenth Judicial District Indigent Defender Board as of and for the year ended December 31, 1999, and have issued our report thereon dated March 24, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of December 31, 1999, resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control	Material Weakness	<input checked="" type="checkbox"/> No
	Reportable Condition	<input checked="" type="checkbox"/> No
Compliance	Compliance Material to F/S	<input checked="" type="checkbox"/> No

B. Federal Awards

N/A

Section II Financial Statement Findings

None reported.

Section III Federal Award Findings and Questioned Costs

N/A

JOHN D. BUTLER & COMPANY
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MANAGEMENT LETTER

March 24, 2000

Nineteenth Judicial District Indigent Defender Board
P. O. Box 3356
Baton Rouge, Louisiana 70821

We have audited the financial statements of the Nineteenth Judicial District Indigent Defender Board as of and for the year ended December 31, 1999, and have issued our report thereon dated March 24, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

During the course of our examination, we became aware of the following matters which represent immaterial deviations of compliance or suggestions for improved internal controls.

MANAGEMENT POINTS

M99.1 MISCODING

Condition: Several revenue sources were coded to the wrong line item.

Effect: Revenue from one source is overstated while another is understated.

Recommendation: The general ledger should be thoroughly reviewed each month for obvious errors.

M99.2 BASIS OF ACCOUNTING

Condition: The rent due but not paid was not accrued.

Effect: Liabilities and the cost of running the office were understated.

Recommendation: In the prior year, the basis of accounting was discussed as a material weakness. This situation has been materially corrected this year. However, rent in the

amount of \$76,348 that was due but unpaid at December 31, 1999, was not recorded on the books. We understand that there are currently on-going negotiations for the City-Parish to forgive this past due rent. For this reason, we have included it as a management point as opposed to a reportable condition. Even though there is a possibility that this amount will be forgiven, it should be recorded on the books until the possibility is definite.

M99.3 ONE-SIDED JOURNAL ENTRIES

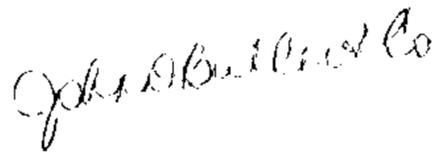
Condition: A one-sided entry was made in the amount of \$1,303 and \$(70.00).

Effect: The general ledger was out of balance.

Recommendations: As mentioned under item 99.1, the general ledger should be thoroughly reviewed each month for obvious errors.

We recommend that management address the foregoing issues as an improvement to operations. We are available to further explain these suggestions or help implement the recommendations.

Sincerely,



John D. Butler & Co., APAC

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended December 31, 1999

Section I Internal Control and Compliance Material to the Financial Statements

98.1 Basis of Accounting	To maintain books on modified accrual basis of accounting	Partially Resolved
98.2 Timeliness of Accounting Duties	To require timely deposits, reconciliations and reports	Resolved

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Management Letter

M98.1 Postings Between Months FY 12/98	To prohibit postings between months	Resolved
M98.2 Consistent Reporting FY 12/98	To adopt a procedure for detailing postings by category	Partially Resolved
M98.3 Personnel Files FY 12/98	To update files to include current, pertinent data	Resolved
M98.4 Segregation of Duties FY 12/98	To adopt a policy requiring monthly reconciliations of subsidiary ledgers maintained by someone other than the Office Manager.	Resolved

NINETEENTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Baton Rouge, Louisiana

MANAGEMENT'S CORRECTIVE ACTION PLAN
Year Ended December 31, 1999

Section I Internal Control and Compliance Material to the Financial Statements

None reported

Section II Internal Control and Compliance Material to Federal Awards

N/A

Section III Management Letter

M99.1 Miscoding	<i>Contact:</i> Beverly Rice, Office Manager <i>Plan:</i> General ledger will be reviewed by two persons each month. <i>Completion Date:</i> 5/00
M99.2 Basis of Accounting	<i>Contact:</i> Beverly Rice, Office Manager <i>Plan:</i> The appropriate adjustment was made through the audit. <i>Completion Date:</i> 1/00
M99.3 One-sided Journal Entries	<i>Contact:</i> Beverly Rice, Office Manger <i>Plan:</i> See plan under M99.1. <i>Completion Date:</i> 5/00